

# U.S.-Saudi Arabian Business Council

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# About the Business Council

## **Mission**

- To foster, develop, and expand U.S.-Saudi business ties through trade and investment and to contribute to the accurate depiction of the business environment in Saudi Arabia.

## **Profile**

- Nonprofit (private-sector funded)
- 400 U.S. and Saudi Members
- SMEs and Fortune 500 companies
- Operations in multiple industries
- Offices in Washington, DC metro area and Riyadh, Saudi Arabia

# Saudi Arabia's Economy

- GDP: \$571 Billion – 6.5 Percent Growth
- Domestic Debt: 8.5 Percent of GDP
- Total Exports 2011 : \$274 Billion
- Total Imports 2011 : \$94 Billion
- Disposable Income: \$20,651 Per Capita
- Population Under 30: 59 Percent

# Saudi Arabia and the Region

- Ranked 12<sup>th</sup> in “Ease of Doing Business”
- Ranked 17<sup>th</sup> in global competitiveness
- Largest economy in the MENA region
- Accounts for 70 percent of FDI in GCC
- Largest destination of FDI in the Arab World
- Represents 25 percent of Arab GDP

# Saudi Arabia's Initiatives

- National Industrial Clusters Development Program
- Economic Cities Project
- Knowledge-Based Society
- King Abdullah Initiative for Agro-Investment Abroad
- Middle-Income Housing Development
- Alternative Energy

# Construction

- Largest construction market in the region
- \$1.1 trillion worth of construction and infrastructure projects currently planned or under construction
- \$66 billion allocated to build 500,000 low-cost houses by 2014
- 3.5 million affordable homes needed by 2020

# Oil, Gas, and Petrochemicals

- \$130 billion in energy projects through 2015
- \$150 billion in investments in petrochemicals and downstream operations by 2016
- 11<sup>th</sup> largest petrochemicals supplier in the world

# MEGA INDUSTRIAL PROJECTS

- \$3.2bn SABIC/Exxon Mobil facility to produce ethylene propylene diene monomer, rubber and black carbon used in automobile industry. The new factory will cover 32.7 hectares and supply automotive markets globally
- \$800m Jubail Chemical Industries Company (JANA) industrial complex for the expansion of existing industries and new products such as painting, leather and several chemical industries with an annual production capacity of 600,000 tons.
- Saudi International Petrochemical Co. (SIPCHEM) was allocated \$750m for a factory that will produce ethylene vinyl acetate and low-density polyethylene. The plant will produce around 200,000 tons of the products annually once up and running.



## MEGA INDUSTRIAL PROJECTS CONT'D.

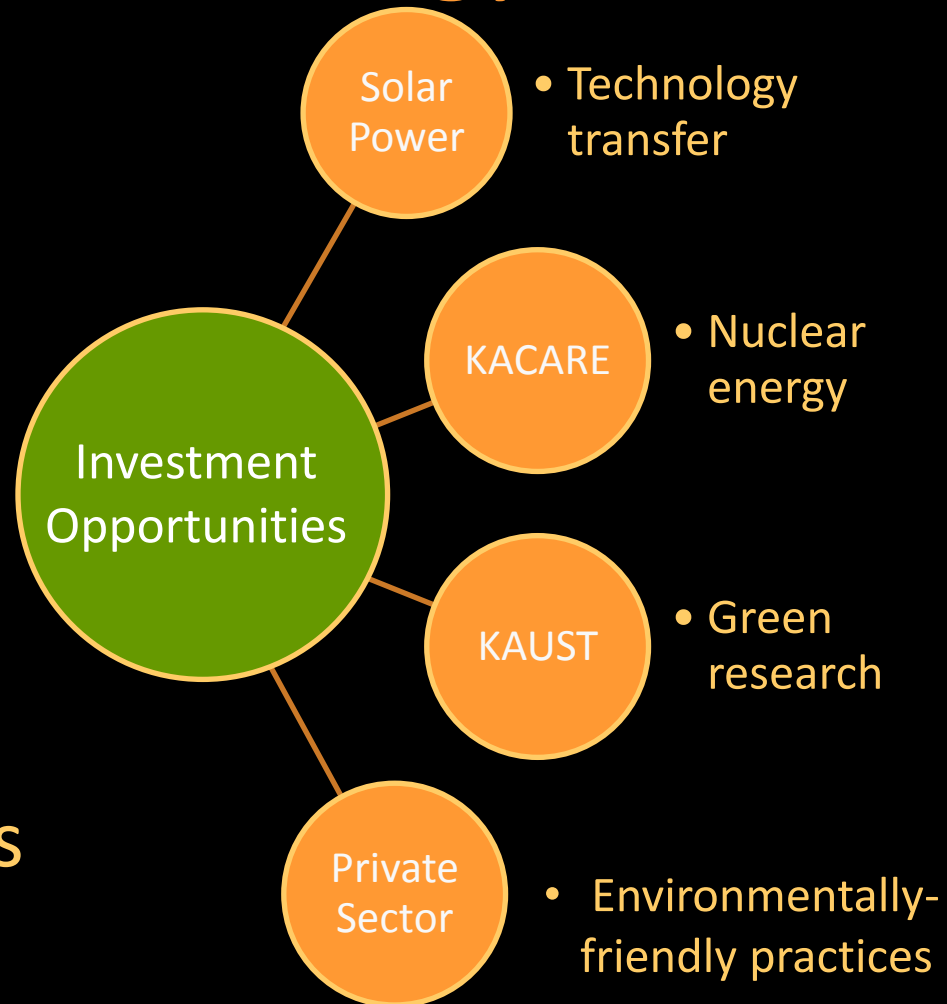
- National Industrialization Co., or Tasnee, develop a \$373m plant that will produce 80,000 tons of super-absorbent polymers annually
- Saudi Arabian Fertilizer Co. (SAFCO) will expand its urea production operations to 3.67m tons annually thanks to a \$533m deal. Urea is a key component in fertilizers and melamine
- Over the past year, the two industrial cities had received licenses for new projects totaling \$39bn, while current investments in the regions stand at \$180bn

# Power Generation

- \$80 billion needs to be invested in electricity generation distribution over the next 10 years
- Annual power demand increases between 7 and 8 percent
  - Current capacity: 58,454 MW
  - Estimated 2020 demand: 88,100 MW

# Alternative Energy

- Top five global location for solar power
- Goal to supply 20 percent of energy demand through alternative sources



# Mining

- At least 15 industrial minerals found in Saudi Arabia have been found economically feasible for extraction
- Phosphate, bauxite, gold, copper, zinc
- New phosphate mining and processing city
- \$10.8 billion joint venture with Alcoa
- New mining code in 2004 to increase private investment

# Medical and Healthcare

- \$20 billion spent on healthcare in 2011
- \$8.6 billion worth of healthcare projects currently in the design or tending phase
- \$1.73 billion spent on medical devices in 2011
- \$3.6 billion spent on pharmaceuticals in 2011

# Insight: Tailored Market Information

- Market Insight & Analysis
- Market Entry Strategy
- Partner Identification
- In-Country Partnership Screening & Analysis



# Access:

## Connect with Business Leaders

- Membership Network
- Partner Introduction
- Business Development Missions
- High-Level Networking Events



# Support: Facilitating Success

- In-Country Appointments Services
- Logistical Support
- Trade Show Support
- Advisory Services





# Tangible Results

- Goettsch Partners
  - Contract to design exclusive hotel at King Abdullah Financial District
- H2Gen
  - Commissioning of hydrogen purification plant for Saudi Polyolefins Company



*Goettsch Hotel Design  
in KAFD*

# Tangible Results

- Gillani, Inc.
  - Agreement for tailored software solutions for Prince Mohammad Bin Fahd University
- Acoustiblok
  - 50 year manufacturing agreement with Arabian Plastics Compounds



*Acoustiblok Signing Ceremony  
March 2009*

# Tangible Results

- NetSol Technologies
  - Established joint venture with Atheeb for software engineering services
- IBACOS, Inc.
  - \$19.7 million agreement with SABIC to consult on Home Innovation project

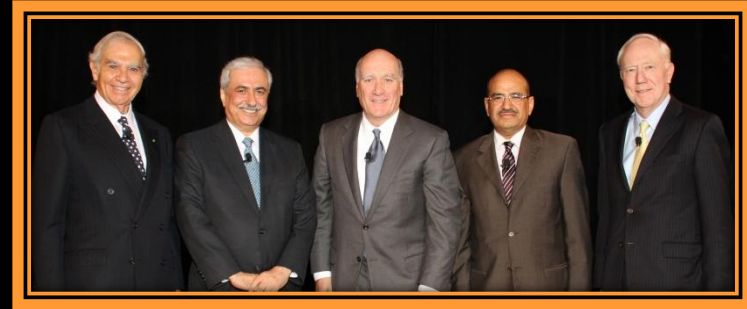


*Signing ceremony for Atheeb  
NetSol joint venture in 2011*

# U.S.-Saudi Business Opportunities Forum 2010

Chicago, IL April 27-29, 2010

- Minister of Finance Ibrahim Al-Assaf
- Treasury Secretary Timothy Geithner
- Minister of Petroleum and Mineral Resources Ali Al-Naimi
- Minister of Commerce and Industry Abdullah Alireza
- Secretary of Commerce Gary Locke
- Vice Chairman of Effat University Princess Loulwa Al Faisal



*Richard Debs, Morgan Stanley; Ibrahim Al-Assaf, Minister of Finance; William Daley, former Secretary of Commerce; Abdulrahman Al-Tuwaijri, Capital Market Authority; Sir Andrew Crocket, J.P. Morgan Chase*



*Ferdinando Beccalli, GE; Ali Al-Naimi, Minister of Petroleum; John Watson, Chevron; Peter DuPrey, Acciona Energy*

# U.S.-Saudi Business Opportunities Forum 2011

**Atlanta, GA December 5-7, 2011**

- Minister of Education H.R.H. Prince Faisal Bin Abdullah Al-Saud
- Minister of Health Abdullah Al-Rabeeah
- Minister of Commerce and Industry Abdullah Alireza
- Acting Deputy Secretary of Commerce Rebecca Blank
- Deputy Secretary of Energy Daniel Poneman
- Deputy Secretary of Education Anthony Miller



*Steve Clemons, New America Foundation; Khaled Al-Sabti, then Vice Minister of Boys' Education; Prince Faisal Bin Abdullah Al-Saud, Minister of Education; Anthony Miller, Deputy Secretary of Education; James Smith, Ambassador to Saudi Arabia; Jeff Barnes, GE*



*Hashim Yamani, King Abdullah City for Atomic and Renewable Energy; Daniel Poneman, Deputy Secretary of Energy*

THANK YOU

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